



# Legislative Department Seattle City Council Memorandum

**Date:** January 29, 2010  
**To:** Committee of the Built Environment (COBE) Members  
**From:** Sara Belz, Council Central Staff  
**Subject:** **Council Bill (CB) 116777 – Department of Planning and Development Fee Ordinance**

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## **Summary of the Legislation**

This legislation would amend Chapters 22.900C and 22.900D of the Seattle Municipal Code (SMC) to incorporate three proposed changes to the Department of Planning and Development's (DPD) current fee structure. The primary goal of CB 116777 is to better align the fees assigned to certain DPD permitting services with the actual costs of providing those services. Fees and charges associated with building, land use, and mechanical permits are expected to fund about half of DPD's 2010 budget.

The proposed changes to DPD's fee structure that are included in CB 116777 are as follows:

**1) *Create a new plan review fee for building and mechanical permits that are subject to field inspection (STFI).***

Many relatively simple construction projects that do not require extensive plan review qualify for what DPD calls STFI permits. Projects that may be eligible for STFI permits include, but are not limited to, roof and foundation repairs, demolitions, construction of detached accessory structures, and certain non-structural interior alterations. At present, applicants for STFI permits are not charged a plan review fee. This legislation would amend the SMC to establish plan review fees for STFI permits that are consistent with the amount of staff time this work requires. In 2009, DPD received applications for about 2,400 STFI permits.

CB 116777 would set the plan review fees for STFI permits at \$60.00 or 40% of the proposed project's Development Fee Index (DFI), whichever is greater. The DFI is the basis for many of the permit and plan review fees DPD charges. DPD determines the DFI of an individual project when it reviews the project's total valuation. (DPD's DFI formulas appear on p.7 of CB 116777.) The following table provides the DFIs for various project valuations and shows the corresponding plan review fees that would apply to these valuations when a project is eligible for an STFI permit.

<b>Total Project Valuation</b>	<b>DFI</b>	<b>STFI Plan Review Fee</b>
\$1,000	\$150.00	\$60.00
\$10,000	\$262.50	\$105.00
\$50,000	\$762.50	\$305.00
\$100,000	\$1,262.50	\$505.00

**2) *Eliminate the ability of permit applicants who have a pre-application conference to apply their conference fee to their permit application fee.***

Permit applicants that complete pre-application conferences with DPD staff are currently charged a \$250 conference fee. If an applicant identifies the address of their project at the time of their conference and submits their application fee within six months of that meeting, their conference fee is applied to their overall permit application fee. CB 116777 would eliminate the ability of any permit applicant to apply their conference fee to their permit application fee. DPD does not possess data that would allow them estimate how many permit applications this proposed change could affect on an annual basis. However, because permit applicants for smaller projects rarely complete pre-application conferences, the projects that will be impacted by this change are expected be larger in scale.

**3) *Make the recording fees DPD charges for certain land use permits consistent with the rates King County charges DPD to record those same documents.***

DPD currently charges applicants for lot boundary adjustments, short subdivisions, and unit-lot subdivisions a \$110 recording fee once their permit is approved. However, the recording fees that King County charges DPD for these same permits presently start at \$128 and increase from there. Because DPD fees are listed in the SMC, legislation that amends DPD's recording rates must be prepared whenever King County's fees change. CB 116777 would address this ongoing issue by making DPD recording fees equivalent to "the current rate as established and charged by King County at the time of document recording," rather than codifying a new monetary amount.

**Fiscal Impacts**

The new plan review fee for STFI permits is expected to generate about \$500,000 in additional revenues in 2010. The proposed change to DPD's pre-application conference charges will also produce a net gain for the City; however, DPD believes the total value of those new proceeds will be relatively small. Amending DPD's recording fees to make them consistent with King County's rates is expected to be revenue neutral.

**Staff Recommendation**

Staff recommends approval of C.B. 116777.

**Next Steps**

If COBE does not vote on C.B. 116777 at its February 3, 2010, meeting, the Committee's next opportunity to vote will likely be on February 24.

If you have questions about any of the information included in this memorandum, please feel free to contact me at any time (4-5382 / [sara.belz@seattle.gov](mailto:sara.belz@seattle.gov)).